

SI

Section: 8 Government Sources Of Supply

Subject: 8.5.1 Orders Against GSA Federal Supply Schedules

PURPOSE:	This supplemental instruction (SI) provides procedures for procuring goods and services available under General Services Administration (GSA) Federal Supply Schedule (FSS) contracts.
POLICY:	The Department of Energy authorizes the Laboratory to fill its acquisition requirements from government sources of supply if it is economically advantageous or otherwise in the best interests of the Laboratory.
SCOPE:	This SI applies to all orders involving GSA Federal Supply Schedules.
DEFINITIONS: Delivery Order	A delivery order consists of products (goods or services) which are covered by an FSS contract in accordance with the prices, delivery terms, quality, minimum/maximum order quantities or dollar amounts, or other terms and conditions of the FSS contract.
Open Market Items	Open market items are products (goods or services) that are not specifically covered by an FSS contract. The FSS contractor and the Laboratory reach an independent agreement on price and delivery, but may agree to apply the terms and conditions of the contractor's FSS contract for a similar commodity in lieu of the Laboratory's standard terms and conditions.
PROCEDURES: General	<p>All FSS contracts are awarded by the Government through GSA. Procurement specialists may award delivery orders against FSS contracts without considering small business/small disadvantaged business/women-owned business reservations, seeking further competition, publicizing the requirement, obtaining certified cost or pricing data, or determining fairness and reasonableness of prices. However, purchase under Federal Supply Schedules is not mandatory upon the Laboratory.</p> <p>While reasonableness of price is established by GSA on a particular contract, ordering from a particular GSA FSS contract may not be the most economically advantageous or otherwise in the best interests of the Laboratory and the Government. Lower cost products and/or suppliers may be found by comparing multiple FSS contract price lists or other sources of supply.</p>
Terms and Conditions	Purchases made under FSS contracts must be made in accordance with the prices, delivery terms, quality, minimum/maximum order quantities or dollar amounts, or other terms and conditions of the FSS contract. Procurement specialists are not permitted to add or delete terms and conditions, except as noted for work on-site and/or security access in accordance with SP 8.5, Orders Against GSA Federal Supply Schedules. Laboratory standard General Provisions are not to be incorporated into orders placed under FSS contracts.

SI

Section: 8 Government Sources Of Supply

Subject: 8.5.1 Orders Against GSA Federal Supply
Schedules

Laboratory FSS
Authorization

Orders placed against FSS contracts shall include the following statement:

GSA Authorization

This delivery order is placed under and shall be subject to the terms and conditions of the Seller's GSA Federal Supply Schedule Contract No.: GS- [insert number] or its latest revision.

In the event of any inconsistency between the terms and conditions of the Seller's Federal Supply Schedule Contract and this delivery order, the terms and conditions of the Federal Supply Schedule Contract shall apply.

The University is authorized by DOE to base the prices for the supplies covered by this delivery order on the prices, terms and conditions of the Seller's Federal Supply Schedule Contract. The University will furnish written documentation of such authorization to the Seller upon request.

Order Placement

The procurement specialist must verify that the required goods or services are available under a current FSS contract, and verify the applicable terms, conditions, and limitations of that contract, if any.

SB/SDB/WOB

If the procurement specialist considers alternative sources of supply, small businesses (SB), small disadvantaged businesses (SDB), or women owned businesses (WOB) should be considered. If the item is available at equal or more advantageous price or delivery terms from the SB/SDB/WOB, and the FSS vendor is not an SB/SDB/WOB, the order shall be placed with the SB/SDB/WOB.

SDB Price Preference - If the item is available from an SDB at a price which is no more than 10% higher than the FSS schedule, which offers equal or more advantageous delivery terms than the FSS schedule, and the FSS vendor is not an SDB, the order may be placed with the SDB.

Documentation

The procurement file should be documented with the dates and persons at the companies contacted, the terms offered, and determination of price reasonableness and or best value as appropriate.

Mixed Requirement
(FSS and Non-FSS
Items)

If the required items are not available under the FSS contract, the standard procurement procedures apply for the non-FSS items, e.g., competition or non-competitive justifications at applicable thresholds. While the non-FSS items can be awarded on the same order, if allowed by the FSS schedule, the order must clearly identify the item(s) which are not available under the FSS contract, e.g., "open market" items.

SI

Section: 8 Government Sources Of Supply

Subject: 8.5.1 Orders Against GSA Federal Supply
Schedules

Mixed Requirement
(Con't)

For orders placed with the FSS contractor, if some of the items are available under the FSS contract and the remaining are open-market items, the procurement specialist may:

- place two orders, one against the FSS contract and a second using the Laboratory's standard terms and conditions; or
- place a single order identifying the items that are under FSS and the open market (off schedule) items, and indicate that the order is placed in accordance with the FSS as an open market order by including a provision such as the following in addition to the Laboratory FSS authorization:

Items 1 - 5 on this delivery order are included in [company name]'s GSA Contract No. GS - [insert number] expiring on [month/day/year]. Items 6 - 9 are awarded as an open market order subject to the terms and conditions of the cited contract.

If the items are not available under an FSS contract but the contractor has an FSS contract for other items of the same commodity class, the procurement specialist may incorporate the terms and conditions of the FSS in lieu of the Laboratory's standard terms and conditions, if the FSS contractor agrees, by including a provision such as the following:

The terms and conditions of this purchase order shall be in accordance with [company name] GSA Contract No. GS - [insert number] expiring on [month/day/year] as an open market order.

If items are available under a current FSS contract but the procurement specialist is aware of other alternatives such as educational pricing that may be utilized to obtain better pricing, the procurement specialist may place the order as an open market order, if the FSS contractor agrees. The open market provision immediately preceding this paragraph may be used.

Reasonableness of
Price

Citation of the applicable contract (number, date, contractor) is sufficient justification for the reasonableness of price of items ordered under an FSS contract.

The procurement specialist must document the file with the basis for determining the reasonableness of price for items not awarded strictly under the terms of an FSS contract.

SI

Section: 8 Government Sources Of Supply

Subject: 8.5.1 Orders Against GSA Federal Supply
Schedules

RESPONSIBILITIES:
Procurement
Specialist

The procurement specialist is responsible for:

- verifying the availability of goods and services under FSS contracts and applicable terms and conditions;
- considering SB/SDB/WOB if alternative sources to FSS contracts are considered;
- including the Laboratory FSS authorization for all items placed under an FSS contract; and
- determining prices to be fair and reasonable for those items not placed strictly against an FSS contract.